

DEPARTMENT OF REVENUE

Division of Motor Vehicles- Title and Registration Section

1 CCR-204-10

RULE 31. SALVAGE AND REBUILT FROM SALVAGE CERTIFICATE OF TITLE REQUIREMENTS DISCLOSURE

Basis: The statutory bases for this regulation are 38-20-116(2.5), ~~42-5-202 through 205~~, 42-6-102 (10), (15), (16), (17), and (23), 42-6-104, 42-6-110, 42-6-116 and 42-6-136.5, ~~and~~ 42-6-206, C.R.S.

Purpose: The following ~~rules and regulations are~~ is promulgated to establish ~~what the information is required to be submitted to the Department regarding salvage vehicles in connection with an application for a salvage certificate of title. criteria for the notification to the Department when the vehicle is declared disposed of as salvage, a salvage vehicle or rebuilt from salvage vehicle.~~

1.0 Definitions

- ~~1.1 "Department" means the Colorado Department of Revenue and/or its authorized agents.~~
- ~~1.2 "Director Approved Form" means a Certificate of Title, DR 2173 Motor Vehicle Bill of sale, DR 2407 Dealer's Bill of Sale, invoice, or electronic invoice in a Department approved format.~~
- ~~1.3 "Disposed of as Salvage" means the loss, destruction, crushing and/or dismantling of a vehicle so it no longer meets the definition of roadworthy in 42-6-102(15), C.R.S.~~
- ~~1.4 "Loss" means the difference between the value of the vehicle before and after it was determined to be a salvage vehicle.~~
- ~~1.5 "Owner" means a person or firm in whose name the title to a motor vehicle is registered. The term also includes parties otherwise having lawful use or control or the right to use or control a vehicle for a period of thirty days or more.~~
- 1.61 "Rebuilt From Salvage" means a salvage vehicle as defined in section 42-6-102(17), C.R.S., that has been repaired to a roadworthy condition as defined in section 42-6-102(15), C.R.S.
- ~~a. A "Rebuilt from Salvage" brand shall be stamped into salvage vehicles that have been repaired to a roadworthy condition as provided for in section 42-6-136(3)(b)(II), C.R.S.~~

1.72 “Rebuilt From Salvage Certificate of Title” means a Colorado Certificate of Title that contains the designation “Rebuilt from Salvage” in a conspicuous place on the title in accordance with section 42-6-136.5(2)(a), C.R.S.

1.83 “Repair Shop” ~~means a person or firm that offers vehicle repair services to the public on a commercial basis and complies with all federal, state, county, and municipal laws that require the person to possess business or tax licenses.~~ means a “motor vehicle repair facility” as defined in section 42-9-102(3), C.R.S.

2.0 ~~Disposed of as Salvage Requirements~~

~~2.1 The owner of a motor vehicle for which a Colorado certificate of title has been issued, upon the destruction or dismantling of said motor vehicle, upon its being changed so that it is no longer a motor vehicle, or upon its being sold or otherwise disposed of as salvage, shall:~~

~~— a. Surrender the certificate of title to the motor vehicle to the director or the authorized agent to be canceled; or~~

~~b. Notify the director or the authorized agent on director-approved forms indicating the loss, destruction or dismantling, or sale for salvage.~~

~~2.2 Upon the owner's procuring the consent of the holders of any unreleased mortgages or liens noted on or recorded as part of the certificate of title, such certificate shall be canceled.~~

~~2.3 Upon cancellation of the certificate of title, no subsequent title will be issued.~~

2.0 Salvage Vehicle Determination

2.1 A vehicle is determined to be a salvage vehicle as set forth in section 42-6-102 (17)(a)(I)(C), C.R.S.

~~a. Cosmetic repairs shall not be included in determining whether the cost of repairing the vehicle to a roadworthy condition exceeds the retail fair market value of the vehicle immediately prior to the damage.~~

3.0 Salvage Title Requirements

3.1 Applicants for a salvage certificate of title may apply to the director or one of the authorized agents, as defined in section 42-6-102(1.5) and (4), C.R.S., using Form DR 2410 Application for Salvage or Nonrepairable Title.

~~a. The application must include the nature of the damage that resulted in the vehicle becoming a salvage vehicle; and~~

a. The estimated cost of repairs ~~excluding cosmetic repairs, such as paint to~~ restore the vehicle to a roadworthy condition pursuant to section 42-6-102(15), C.R.S..

~~3.1 Applicants for a rebuilt from salvage certificate of title shall follow the DR 2415 Title Established by Salvage Title Checklist and submit all required documentation listed on the DR 2415 Title Established by Salvage Title Checklist.~~

~~3.2 Upon submitting the documentation required on the DR 2415 Title Established by Salvage Title Checklist the applicant must complete the DR 2410 Salvage Title Application.~~

~~3.32 The owner of a salvage vehicle may make application for a salvage certificate of title before the sale or transfer of such vehicle. All subsequent~~ ~~p~~Purchasers or transferees of a salvage vehicle, other than transactions that are not subject to taxation pursuant to section 39-26-104, C.R.S., must apply for ~~obtain a salvage certificate of title in the owner's name within 24 months from the date of purchase or transfer pursuant to section 42-6-110, C.R.S.~~

a. If an insurance company acquires a vehicle that has been declared a salvage vehicle, as defined in section 42-6-102(17), C.R.S., the insurance company must apply for a salvage certificate of title before transferring ownership of the vehicle.

b. If the owner retains a vehicle upon settlement of a claim with an insurance company and the vehicle has been declared a salvage vehicle, as defined in section 42-6-102(17), C.R.S., the owner must apply for a salvage certificate of title in the owner's name within sixty days.

c. A ~~r~~Repair ~~s~~Shop may apply for a salvage certificate of title for an abandoned motor vehicle as defined in section 38-20-116(2.5), C.R.S., ~~abandoned at the repair shop,~~ that also qualifies as a salvage vehicle if the retail fair market value of the ~~abandoned motor~~ vehicle is ~~more~~ greater than ~~\$200.00~~ two hundred dollars.

~~i. Motor vehicles abandoned at a repair shop, with a retail fair market value of less than \$200.00, shall only be sold for the purposes of junking, scrapping, or dismantling. Sale by the repair shop shall be executed and delivered to the purchaser on a bill of sale.~~

~~ii. Under no circumstances shall a purchaser of an abandoned motor vehicle sold for the purposes of junking, scrapping, or dismantling be entitled to a Colorado certificate of title. Repair shops shall~~

~~inform purchasers that a Colorado certificate of title will not be issued upon execution of the abandoned motor vehicle bill of sale.~~

~~3.4 The director or authorized agent shall designate "SALVAGE" in a conspicuous place on the certificate of title of every salvage vehicle, and "REBUILT FROM SALVAGE" on the certificate of title for every salvage vehicle that has been made roadworthy. Such designation shall become a permanent part of the certificate of title for such vehicles, and shall appear on all subsequent certificates of title for any such vehicle~~

4.0 Rebuilt from Salvage Title Requirements

4.1 Applicants for a rebuilt from salvage certificate of title shall follow the Form DR 2415 Title Established by Salvage Title Checklist and submit all required documentation listed on that form.